The A. F. of L. Weekly News Service gives news accounts and official interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

# AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

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WE PLEDGE—
1 BILLION DOLLARS
IN
WAR SAVINGS BONDS
FOR VICTORY

WHOLE NO. 1744 WILLIAM GREEN, President WASHINGTON, D. C., TUESDAY, SEPTEMBER 12, 1944 GEORGE MEANY, Secretary-Treasurer VOL. 34, NO. 37

## FACING *the* FACTS
*With* PHILIP PEARL

Required reading for every American worker—the report of War Mobilization Director Byrnes on post-war reconversion.

This report is the first clear-cut information given by the Government to the nation on what is likely to happen on the home front after the war in Europe is finally won. It answers many questions important to the interests of workers. It leaves other equally important questions up in the air.

Since the document is not somewhat technical in certain respects, we thought it might be a good idea to analyze the highlights which appeared particularly to labor.

In the first place, the report calls for the abandonment of tight wartime controls on manpower immediately after V-E-Day. This is welcome news. Present manpower regulations, although necessary to the success of the over-all objectives of the war production program, have proved a considerable headache to both workers and management alike. After Germany is licked, there will be a 40 percent cut in war production and there will, at least, a surplus of labor. Therefore, the continuance of controls obviously will be unnecessary, except perhaps in a few tight areas where voluntary, local solutions will be sought.

### Overtime As Inducement

How will workers be induced to stay in war jobs while others are busy lining up permanent jobs in industries which are permitted to reconvert to peace-time production? This question is answered inferentially in the report. Mr. Byrnes calls for a general return to the 40-hour week in reconverted industries to spread the work and to reduce interim unemployment. Presumably, industries which continue on war contracts until Japan is defeated will be allowed to maintain overtime schedules. Thus, the prospects of earning more money on war jobs are calculated upon to act as an inducement to workers to stay on such jobs.

But how about the millions who will lose their war jobs? What is going to be done about the shrinkage of their wage income? On this vital matter the Byrnes report is completely silent.

True, the report calls for maintenance of national income and employment at present levels during the post-war period. But it does not divulge the deep secret of how this can be accomplished.

So far as we can see, there is only one way of achieving this objective—a way which Mr. Byrnes has consistently opposed in the past. That is to break the Little Steel wage-freeze formula and increase hourly rates of pay so that workers will receive less for working 40 hours after the war than the equivalent of what they now get for working 48 hours, including eight hours at time-and-a-half.

If this were done, many of labor's post-war fears and problems would disappear. The confidence of the nation's workers would be restored. The purchasing power of the American people would be maintained. The market for the peace-time products of the nation's post-war industries would be localculable. Maximum production, and therefore full employment, would be assured.

### Unemployment Compensation

Regardless of whether Mr. Byrnes has come to see the light on this basic issue, there are increasing signs in Washington that the President has now become convinced of the justice of labor's complaints against the wage-freeze—and after all, the final decision is up to him.

Coming back to the Byrnes report, it sounds a healthy note of warning to Congress for its failure to take any adequate action on unemployment compensation, which the War Mobilization Director calls "the first line of defense against unemployment."

Mr. Byrnes cogently points out that present rates and standards of unemployment compensation were adopted by the States many years ago and have not been changed by the States or by Congress. If these unemployment allowances were sufficient then, they can't be adequate now, Mr. Byrnes emphasizes. He urges Congressional action to provide Federal contributions which would establish rates of up to $30 a week for not more than 26 weeks. Mr. Byrnes indicates that members of Congress informed him they might be inclined to go along with such a proposal—if the States do likewise.

Labor thinks Mr. Byrnes' standards still fall short of the mark and that his unemployment compensation program does not meet the nation's needs. What is required is a system of benefits and standards uniform throughout the nation, not forty-eight varying plans. The fact that millions of workers have moved from their home communities into other States to help put the war production program over the top makes the present State-by-State unemployment compensation system archaic.

## 1944 Convention Call Issued

Washington, D. C.—The official call for the annual convention of the American Federation of Labor, which opens Nov. 20 at New Orleans, was sent out by President William Green and Secretary-Treasurer George Meany.

The convention call stressed the fact that many issues vital to the winning of the war and the winning of the peace will come up for consideration and decision at this annual convention of labor.

To promote sound policies and constructive action it is more important than ever that all AFL affiliates be fully represented at the convention.

The message issued by Mr. Green and Mr. Meany said:

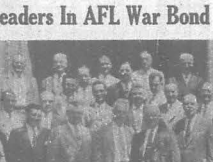
"The officers and members of the American Federation of Labor have been influenced by one dominant purpose and by a united determination to win the war and to win the peace. This unity of purpose and determination is reflected in the character of service rendered since Pearl Harbor, and in the production of ships, airplanes, tanks guns, ammunition and war material of all kinds. All the demands and requirements of the army and our armed forces abroad have been fully and completely met. The production record of the workers of the country employed in the mills, mines, factories and on the transportation lines of the nation is amazing. It stands out as a home front production achievement.

"The war is being won by our armed forces very largely because of the full and complete way in which they have been supplied with all the goods, ammunition and equipment needed.

"The winning of the war is supplemented by an equal desire and determination on the part of the working people of our country to formulate and adopt a peace program that will spell security for all classes of people in the future. We must translate into concrete terms the hopes and aspirations of the masses of the people to establish freedom, liberty, justice, democracy and individual and collective security throughout the world.

"The state of mind which prevails among the seven million members of the American Federation of Labor will be expressed by the delegates who represent this impressive constituency in the Sixty-fourth Annual Convention of the American Federation of Labor. The fixed and unalterable determination of these millions of men and women who make up the American Federation of Labor to serve as soldiers of production and to cooperate with the government in the winning of the war to destroy Nazism and Fascism will be reaffirmed at this historic convention."

## Leaders In AFL War Bond Drive



AFL President William Green pictured on steps of Federation headquarters in Washington with staff organizers and Treasury Department representatives who will carry on redoubled drive to increase War Bond sales among American workers.

## French Labor, Back on Job In Paris, Drafts Sweeping Post-War Program

Washington, D. C.—For the first time in more than four years, the French organized labor movement known as the Confederation General Travail, is back on the job in Paris, according to detailed despatches reaching this country.

Moving in on the heels of the victorious allied armies of liberation troops, the labor leaders of France, many of whom had fought a long and bitter underground battle against their Nazi oppressors, have come back to the building on the Rue Lafayette from which they were banned by the Petain government in 1940.

However, there are still a number of prominent French labor leaders missing and their fate is unknown. Among these is Leon Jouhaux, veteran head of the CGT, who is reported to be a prisoner of the Nazis.

American reporters, visiting at CGT headquarters, obtained an interview with Louis Saillant, a secretary of the organization, who worked in the underground all during the occupation. He said the CGT already is preparing to work out its post-war program on these two broad fronts:

1—Demand important reforms which would satisfy the material needs of the French working class.

2—Require the injustices caused by the Vichy Government and the Nazis.

Unemployment, he thought, should not be a serious problem in France. There is an enormous amount of reconstruction to be carried out, the French railroads have been reduced to almost nothing by the Nazis; French industrial machinery has aged 20 years during the last four years of German pressure; French luxury articles have been at a standstill and will need reviving.

Among other points made by Saillant during the interview were:

Salaries during the occupation went up 300 percent, but the cost of living more than 200 percent. Salaries should be increased immediately by 50 percent to meet the worst of this inequality which is causing real hunger among many workers.

Owners and managers who were collaborationists should be arrested and tried. He said that there are many in this class.

Factories engaged in war work, he thought, should be nationalized, at least for the present emergency, by the French Provisional Government and administrators installed to control profits and direct administration.

The government should nationalize France's mines, electrical power, the chemical industry, the iron industry, the insurance companies. The country's banks should be strictly controlled by the State. The Bank of France should be nationalized.

Indemnities should be paid to the French workers in these industries, in the case of collaborationists, their holdings should be appropriated by the nation.

Holding companies through which the oligarchy of French Capital controlled by a small group of men, should be broken up.

## Japs Feared U. S. Labor's Opposition Senate Cartel Investigation Shows

Washington, D. C. — President Roosevelt, in a letter to Secretary of State Hull, called for action to end international cartels in the post-war period as the Senate Kilgore Committee continued to expose the sordid story of how trade agreements between American and enemy firms gave Japan inside secrets on vital U. S. plane and oil production.

One bright feature of the Senate investigation was the disclosure by James S. Martin, Chief of the Economic Warfare Section of the Justice Department, that both the Japanese and American industrial leaders feared labor's opposition to the shipment of war materials to Japan.

Martin submitted a letter from the New York office of the Mitsubishi Trading Company to its Tokyo office, dated Feb. 10, 1939, which said, in part:

"Furthermore, they (American manufacturers) are fearful of labor difficulties in the event that their workmen learn that the materials on which they are working are destined for shipment to Japan. As you undoubtedly know, most of the manufacturing plants in this country employ workmen who are members of the American Federation of Labor or the Congress of Industrial Organizations. Both organizations have gone on record as opposing the shipment of materials of this kind to Japan and other countries where military action is in progress.

"In view of these conditions, the makers are extremely cautious in accepting orders and when they do accept, stringent conditions are imposed."

## Prompt End To Manpower Controls Urged By Byrnes In Post-War Report

Washington, D. C. — Abandonment of present stringent manpower controls immediately after the defeat of Germany was promised by War Mobilization Director Byrnes in a report on post-war reconversion.

He said that a paramount goal of national income and employment at high levels.

When V-E (victory in Europe) comes, Byrnes said, war production will be cut 40 per cent and private industries whose contracts are cancelled will be given every encouragement by the Government to convert to peace-time production as soon as possible.

At the same time, he urged, workhour should go back to the 40-hour week.

"This will give jobs to those who are left without employment. The workers want jobs and not unemployment compensation," he declared in a report.

However, Byrnes made no mention of the necessity of increasing hourly rates of pay to maintain the wage income of workers who will lose the overtime they now rely upon to meet increased costs of living.

Byrnes called unemployment compensation "our first line of defense against unemployment." He said:

"In view of the failure of the Congress to provide for more liberal benefits, the unemployment compensation systems of the States through supplemental appropriations by the Federal Government. There will be some States in which the payments will be very inadequate particularly in view of the increase in the cost of living since such payments were established by those States.

"The weekly benefits were established several years prior to the war. If they were adequate then, they are inadequate now. The State systems have during the war, as a result of favorable economic conditions, refunded expenditures, accumulated reserves of five and one-half billion dollars. That is fortunate. But the objective of the system is to provide a defense against unemployment, and not merely to accumulate money. The States should act now to liberalize the benefits and make the State system serve their true purpose.

"I still hope the Congress will reconsider this matter and adopt the plan suggested by me that the maximum weekly benefit should not be less than a stated percentage of the workers' previous wages or $20, whichever is the lower, should be paid for as long as twenty-six weeks and the coverage be extended to include workers where the number of employes is less than eight. Several influential members expressed to me the view that they did not want to consider at this time a bill liberalizing the benefits because they feared if such a bill was considered at this time just prior to a Presidential election, there would be bidding for votes and the proposal would not be considered upon its merits. They thought that after the election legislation providing reasonable liberalization could be enacted. I earnestly hope this will be done."

As to reconversion after V-E Day, the Byrnes plan declared that war procurement agencies will keep only the best qualified plants and contractors on war production, releasing others to the extent that their production is not needed for the defeat of Japan and the security of the nation.

With regard to qualified producers, the following factors will be considered as to priority of release:

(1) Privately owned plants, not normally engaged in production of a military character, will be given first priority of release from war production in order to facilitate their reconversion to civilian production, due consideration being given to the wishes of the contractors.

(2) Government-owned plants will be kept in operation or reserve until their production is clearly no longer required for military needs. This is subject to modification in the case of a plant located in an isolated section with no opportunity for displaced workers where the exercise of wise administrative discretion may prompt other action.

(3) In so far as practicable, the release to civilian production of competing units of the same industry should be simultaneous.

(4) In scheduling the release of plants and industries, due consideration is to be given to cushioning the shock of unemployment.

(5) In scheduling the release of plants or industries, due consideration is to be given to:

(a) Security considerations.

(b) Considerations affecting public transportation, such as accessibility to the sources of raw materials and components, depots or storage facilities, and ultimate destination.

(c) The relative unit cost to the Government.

(d) The welfare of smaller businesses.

(e) Where practical considerations make it possible, companies responsible for the development and engineering of specialized products will be retained in their manufacture in preference to those companies which are merely licensed for their manufacture.

# Roosevelt Reported Ready To Relax Wage Freeze Soon

## *AN EDITORIAL*

*By* WILLIAM GREEN,
*President, American Federation of Labor*
*(Reprinted from the current American Federationist)*

Our great military successes in Europe during the past few weeks have brought us close to the time when the nation will no longer need 50 per cent of our production facilities to make munitions. How shall that period of reconversion be managed and where do we expect it to lead? Decision on these two matters will determine what our soldiers shall return to and the sort of lives all of our citizens shall live for at least the next two decades.

Having in mind the suffering and the losses that would follow mass unemployment, the American Federation of Labor asked for an answer to these basic questions early last Spring. Now a huge change-over lies ahead of us. It will mean dislocation for at least half of our work force while half of our production facilities are made ready for civilian production. The time needed for reconversion might be a few weeks, a few months or two years.

Wage-earners must have current incomes to keep up normal living. State unemployment compensation laws are not designed to take care of such an emergency. They do not cover all the people that are laid off; nor would they provide benefits until workers could get jobs again. They certainly would provide only most meagerly for subsistence needs.

Meanwhile, when industries got under way and were ready to sell new supplies of refrigerators, automobiles, radios, et cetera, would the market be such that they would immediately cut plans for production and lay off workers? That is why the American Federation of Labor asked for emergency unemployment benefits amounting to 80 percent of full-time earnings. We want reconversion to lead to full employment with a national income of at least $150,000,000,000. We remember the 15,000,000 unemployed in 1932, with the national income at $55,400,000,000. Nor did that unemployment drop below 9,000,000 until the need for war production finally brought about a scarcity of workers. The total national income of $88,600,000,000 in 1939 rose this year to a national income of $186,000,000,000, with unemployment at last below 1,000,000.

Only the progress of our armies in Europe belatedly forced Congress to consider plans for reconversion. Congress considered but passed measures that are woefully inadequate. There must be a realization that full employment and ample incomes for wage-earners are essential to the maintenance of purchasing power of workers, as consumers, that industries are dependent for prosperity in peacetime. We must begin to put this fact into effect by raising the wage rates before we go into reconversion.

## Tobin Says 5,000 Teamsters Lose Jobs Because Truck Tires Are Withheld

Washington, D. C.—Daniel J. Tobin, president of the International Brotherhood of Teamsters, announced that 5,000 members of his union, drivers of heavy auto trucks engaged in interstate commerce, have been laid off because truck owners cannot obtain tires.

He said thousands more face unemployment if the government does not heed the demands of the industry, and he threatened to seek the help of Congress.

He made the announcement at the headquarters of the Democratic National Committee in the Biltmore, at his first press conference as chairman of the labor division of the Democratic campaign committee.

Asserting there was a surplus of heavy truck tires, and other heavy automotive parts that truck owners are also unable to obtain, Mr. Tobin added:

"If necessary, we will bring the seriousness of the situation before Congress, so that it may be debated in the Senate and House."

The problem of the heavy auto truck industry will be the major subject for discussion at the brotherhood's annual convention in Washington on Sept. 22, 23 and 24. President Roosevelt will address the brotherhood on Sept. 23.

## Gen. Eisenhower Gives Labor Credit For His "Best-Equipped" Armies

Washington, D. C.—One of the most extraordinary tributes ever paid to American labor was broadcast to America by General Dwight D. Eisenhower, supreme allied commander in Europe.

As the "Battle of France" reached its climax and the invasion of Nazi Germany started, Eisenhower took time out for a radio broadcast to the workers of this country in which he glowingly extolled the job they had done to assemble victorious Hitler's armies.

"From this battlefront," he said, "American fighting troops send their grateful thanks to the workers of America for having made this the best equipped fighting force in all history.

"In this expression of our gratitude we are joined by our gallant allies. The British units include in their category of weapons many which you have produced. The British divisions are equipped exclusively with the products of your toil and skill.

"Each of you justly shares in the credit for the tremendous successes the United Nations have gained on this important front."

Eisenhower expressed confidence that labor will continue to break records in production and that at no time will there have to be a halt in the pace of the Allied offensive because of any shortages in ammunition.

"The possibility of such a failure on your part does not even enter into my calculations," he said, "and belief in the American fighting men is equalled only by my faith and belief in you who, from your homes, have sent these men to the battlefront to help assure that freedom shall prevail in the world."

## PRIEST CHALLENGES ENEMIES OF LABOR

New York City.—Efforts of "capitalists and Communist" propagandists to create a rift between our fighting men and trade unions were denounced by Rev. John A. Monaghan in an address to the Catholic Labor Day mass in St. Patrick's Cathedral.

In sowing confusion, Father Monaghan said, the "demagogues hope to profit, and he added:

"The trade unions are the safest depositories of the soldiers' faith of a better world to work in. Pensions don't buy a substitute for wages. Nor are anti-labor business men safe patrons of veterans' organizations."

## GREEN SCHEDULES THREE MAJOR TALKS

Washington, D. C.—Three major addresses will be delivered by AFL President William Green within the coming week in a swing through the midwest.

First he will speak to the convention of the Brotherhood of Sleeping Car Porters in Cleveland on Sept. 11. From there Mr. Green will go to Chicago where he will address the convention of the American Legion on Sept. 13. This talk will be broadcast over the Mutual network from 12:15 to 12:30 P. M., E. W. T. Finally, Mr. Green will travel to St. Louis to address a convention dinner of the International Association of Bridge and Structural Iron Workers on Sept. 20.

## *AFL Leaders To Confer With Him On Need For Pay Adjustments*

Washington, D. C.—As American Federation of Labor leaders prepared to consult soon with President Roosevelt on the need for breaking the wage freeze, official Government circles hinted with reports that the President is planning to grant some relief to the nation's workers.

These reports indicated that the President has become convinced that the "Little Steel formula" is no longer tenable and that some increase in hourly rates of pay for labor must be granted to make up for the hike in living costs and to maintain purchasing power during the post-war period.

Supporting these reports was the estimate of economists on the staff of the Office of Price Administration who warned that a slash of 30 billion dollars in annual wages may follow the cutback of Germany and the consequent 40 per cent cutback of war production.

This indicated one-third drop in the nation's wage income would result, the economists predicted, from loss of overtime pay, from disemployment of perhaps six million workers and from downgrading of others to jobs of lesser skill.

In an effort to avert such a national crisis, AFL President William Green said he would endeavor to arrange a White House conference for a committee representing the Executive Council with the President as soon as the latter returns from his parley with British Prime Minister Churchill in Quebec.

At its recent meeting in Chicago the Executive Council emphasized that the wage problem is one of the most dangerous matters facing labor today. It charged that the cost of living has risen more than twice as much as the 15 per cent accounted for under the Little Steel formula and called upon the President to readjust the formula realistically to meet this situation. The Council declared that the President alone has authority to act on this question since he had incorporated the formula into Executive Order 9328, issued April 8, 1943, defining the stabilization program.

Announced reconversion plans call for immediate return to the basic 40-hour week after V-E Day and V-J final victory in Europe. This will mean loss of overtime pay by millions of workers, equivalent to a general 25 per cent wage cut.

Leaders of the American Federation of Labor do not see how American workers can sustain such a serious slash in income, especially as there is no prospect of an accompanying cut in the prices of articles which affect the cost of living. On the contrary, indications are that living costs will continue to go up as the Government, will be pressed to raise wartime price controls.

Under the circumstances, the AFL representatives will urge the President to authorize wage adjustments permitting increases in hourly rates of pay which will enable workers to obtain the same income for a post-war 40-hour week that they now receive for working 48 hours.

Unless such action is taken, labor leaders fear the entire reconversion program will be slowed down. They point out that reduction of purchasing power will destroy domestic markets for the peace-time products of industry and bring about nation-wide retrenchment, a condition which if prolonged will be bound to close down factories, aggravate unemployment and defeat national recovery.

## NON-PARTISAN COMMITTEE FORMED IN CHATTANOOGA

Chattanooga, Tenn.—The Chattanooga Central Labor Union announced formation of an AFL Nonpartisan Committee to get out labor's vote in the presidential election. The action was taken in response to AFL President William Green's call to all state federations and city central bodies to form such committees.

The committee "will not attach itself to any political party, but will urge labor to support its friends for political office," the CLU said.

"The forthcoming election is regarded as one of the most crucial in our national history, coming as it does in the midst of the war and at a time when we are facing the great problem of postwar reconversion and full employment, as well as the establishment of a just and lasting peace. Wage and salary earners have the greatest stake in postwar employment and peace. Therefore it is of the greatest importance that all organized labor exercise the right of citizenship by casting their votes Nov. 7."